

TENNESSEE REGULATORY AUTHORITY



Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

August 20, 2003

Boyd B. Ferris, Attorney
Ferris & Newman LLP
2733 W. Dublin-Granville Road
Columbus, Ohio 43235-2798

RE: Docket # 03-00469

Dear Mr. Ferris:

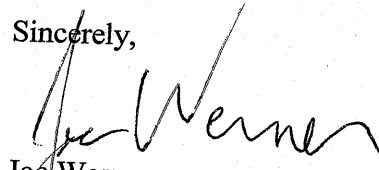
CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of Citynet's application for a Certificate of Convenience and Necessity to provide competing facilities-based local services in Tennessee, you are requested to provide the following information:

1. Provide the affiliates involved in the common ownership of the operating entities conducting similar operations as mentioned in Exhibit A of the Application for Certificate to Provide Competing Local Telecommunications Services.
2. What relationship is Citynet Holding, LLC to the Applicant?
3. Provide a statement of funding for the Applicant, Citynet Tennessee, LLC.
4. Provide projected financials for the Applicant, Citynet Tennessee, LLC for 2004 through 2005.
5. Provide the estimated cost of the network, switches, and unbundled network elements (UNE's) for Citynet Tennessee, LLC.
6. Provide a Capital Expenditures Forecast (three years) for Citynet Tennessee, LLC. Please include:
 1. Equipment to be deployed
 2. Cost of equipment
 3. Sources for funding Tennessee network, equipment, UNE's: cash, loan commitments, vendor credits, letters of credit, etc. (complete detail)
7. Provide a detailed sworn testimony describing Citynet Tennessee, LLC's financial and technical ability to provide telecommunications services in the State of Tennessee.

8. Provide all complaints filed with state and federal regulatory agencies involving the Citynet Tennessee, LLC's affiliated companies.¹ Identify the nature of the complaint, which governmental agency or office received the complaint, and how the complaint was resolved?
9. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.
10. The Conclusion of the Application² states that Citynet Tennessee, LLC requests to provide a full range of local exchange services on a facilities-based and resale basis throughout the State of Tennessee in the service area of any ILEC that does not enjoy a rural exemption under Section 251(f) of the Telecommunications Act of 1996; however, the Pre-Filed Testimony in the same Docket³ states that Citynet Tennessee, LLC plans to offer local exchange telecommunications services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines. These two statements conflict because many ILECs currently enjoy a rural exemption under Section 251(f) and also have fewer than 100,000 access lines. What specific areas in the State of Tennessee do you intend to serve?
11. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas? Does the Applicant intend to subscribe to and/or participate in BellSouth's TAR Code data base in order to insure compliance with Tennessee's County Wide Calling Statute? If not, please describe in detail the method that will be used to insure your customers, within a Tennessee county, are not billed toll charges for a call made to any other resident (regardless of carrier) within the same county.
12. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 *et seq.* and Chapter 1220-4-11 of the rules of the Tennessee Regulatory Authority?

Please provide this information by September 5, 2003. If you have any questions concerning this request or need additional information, please call Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,


Joe Werner
Telecommunications Chief

Cc: Docket File

¹ Application for Certificate to Provide Competing Local Telecommunications Services, Docket No. 03-00469, Pre-Filed Testimony, page 2.

² Application for Certificate to Provide Competing Local Telecommunications Services, Docket No. 03-00469, Conclusion, page 5.

³ Application for Certificate to Provide Competing Local Telecommunications Services, Docket No. 03-00469, Pre-Filed Testimony, page 3.